

# NEWS

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United States Department of Justice  
U.S. Attorney, District of New Jersey  
970 Broad Street, Seventh Floor  
Newark, New Jersey 07102

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***Christopher J. Christie, U.S. Attorney***

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FOR IMMEDIATE RELEASE  
April 24, 2007

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## Bayonne Architect Convicted of Tax Evasion on Money Government Alleged was Extorted from Housing Contractor

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(More)

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NEWARK – A Bayonne architect was convicted today of tax evasion by a federal jury for accepting \$100,000 in what the government alleged were cash kickbacks from a contractor responsible for construction of a \$16 million housing complex in Bayonne, U.S. Attorney Christopher J. Christie announced.

The jury also acquitted Avelino Sambade, 50, of Fair Haven, of one count of extortion in the alleged kickback scheme.

Sambade was the architect commissioned for the \$16 million Thomas W. Zito housing complex in Bayonne. A two-count Indictment returned on Oct. 11, 2006 charged him with one count of extortion and one count of tax evasion.

The jury returned its verdict today after approximately 2 ½ days of deliberations. The trial, which began with opening arguments on April 10, was before U.S. District Judge Dennis M. Cavanaugh, who scheduled sentencing for Aug. 13.

The tax evasion charge carries a maximum statutory penalty of three years in prison and a \$100,000 fine. However, under the advisory U.S. Sentencing Guidelines, Sambade faces a probable sentencing range of between 15 and 21 months in prison. Judge Cavanaugh has the discretion to sentence within that range, below or above the range.

According to the Indictment, Sambade accepted the kickbacks between August 2003 and August 2006.

Sambade had the contractual ability to authorize payments to the project's general contractor, Eric Cherchio, the president of Cutting Edge Construction of Bayonne, who testified at the trial. Cherchio testified that Sambade demanded \$300,000 in cash payments to make the Zito housing project run smoothly.

Several conversations were recorded by the contractor. Sambade allegedly took a \$25,000 cash kickback from the contractor on March 4, 2004; \$20,000 from the contractor on June 21, 2004; \$20,000 from the contractor on Aug. 2, 2004; \$20,000 from the contractor on Sept. 30 and \$15,000 from the contractor on Oct. 20, 2004.

Christie credited Special Agents of the FBI's, under the direction of Acting Special Agent in Charge Pedro Ruiz; and Special Agents of the IRS Criminal Investigation Division, under the direction of Special Agent in Charge William P. Offord, with the investigation. The case is being prosecuted by Assistant U.S. Attorney Richard E. Constable, III, of the U.S. Attorney's Office Special Prosecutions Division.

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Defense Counsel: Raymond Flood, Esq.     Hackensack